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### \* IN THE HIGH COURT OF DELHI AT NEW DELHI

+ CS(COMM) 707/2023

NILKAMAL CRATES AND CONTANERS & ANR.

..... Plaintiffs

Through: Ms. Anju Agrawal, Dr. Mohan Dewan, Mr. Rahul Maratha, Mr. D. Pawar, Mr. B. Ghosh, Mr. Vardhman Jain and Mr. M.K. Bhargava, Advs.

versus

MS. REENA RAJPAL & ANR. ......Defendants
Through: Mr. Satish Kumar, Mr. Sreejan
Pankaj and Mr. Anil Kumar Sahu, Advs.

**CORAM:** 

HON'BLE MR. JUSTICE C. HARI SHANKAR

JUDGMENT (ORAL) 06.11.2023

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#### I.A. 19600/2023 (under Order XXXIX Rules 1 and 2 of the CPC)

1. Plaintiff 1 is the proprietor of various trademarks, registered under the Trade Marks Act, 1999, of which, for the purposes of the dispute at hand, one need only refer to the word mark NILKAMAL,

registered w.e.f. 22 January 1999 and the device marks



registered w.e.f. 6 December 2010 and registered w.e.f. 9 May 1996. *Vide* License Agreement dated 1 September 1998 Plaintiff 1 authorised Plaintiff 2 to manufacture, package, supply and render services of goods as mentioned in Schedule 1 of the license

agreement. Plaintiff 2 is thus the licensee of Plaintiff 1 and is continuously using the trademark NILKAMAL.

- 2. The plaintiffs are using the aforesaid marks for, among other things, plastic moulded chairs. The plaintiffs claim user of the marks since 1999.
- The plaintiffs are aggrieved by the use, by the defendants, of the mark NILKRANTI and the logo. The defendants, too, admittedly, uses the impugned marks for plastic moulded chairs.
- **4.** Consequent to issuance of notice in this application, a reply has been filed by Mr. Satish Kumar.
- **5.** I have heard Ms. Anju Agrawal and Mr. Satish Kumar at some length on this application.
- NILKRANTI could be treated as phonetically similar, Ms. Aggarwal emphasises the common prefix "NIL". She submits that the defendants have clearly acted malafide, as is apparent from the deceptive similarity between the logo that they have adopted and the pre-existing logo of the plaintiffs.
- 7. Where the defendants are thus making a conscious attempt to

copy the plaintiffs, she submits that an absolute inunction ought to be issued against the defendants using the mark NILKRANTI, whether as a word mark or as a logo. She submits that it would be perfectly open to the defendants to use "KRANTI" with any other prefix other than "NIL" and that, by employing the "NIL" prefix, seen in conjunction with the similarity between the logo that the defendants have chosen to adopt vis-à-vis the plaintiffs' logo, the defendants' intention to come as close to the plaintiffs as possible is evident. Without expressly citing it, Ms. Agrawal is, thereby, invoking the principle laid down by lord Justice Lindley in *Slazenger & Sons v. Feltham & Co.*<sup>1</sup>:

"One must exercise one's common sense, and, if you are driven to the conclusion that what is intended to be done is to deceive if possible, I do not think it is stretching the imagination very much to credit the man with occasional success or possible success. Why should we be astute to say that he cannot succeed in doing that which he is straining every nerve to do?"

8. Ms. Agrawal has also placed reliance on the judgment of the Hon'ble Supreme Court in Cadila Health Care Ltd v. Cadila **Pharmaceuticals Ltd**<sup>2</sup>, specifically citing para 16 of the said decision, which reads thus:

Dealing once again with medicinal products, this Court in F. Hoffmann-La Roche & Co. Ltd. Vs. Geoffrey Manner & Co. Pvt. Ltd<sup>3</sup>, had to consider whether the words Protovit belonging to the appellant was similar to the word Dropovit of the respondent. This Court, while deciding the test to be applied, observed at page 720 as follows:

<sup>3 1969(2)</sup> SCC 716



<sup>1 (1889) 6</sup> RPC 531

<sup>&</sup>lt;sup>2</sup> (2001) 5 SCC 73

"The test for comparison of the two word marks were formulated by Lord Parker in *Pianotist Co. Ltd's application*<sup>4</sup> as follows:

"You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. considering all those circumstances, you come to the conclusion that there will be a confusion, that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods-then you may refuse the registration, or rather you must refuse the registration in that case".

It is necessary to apply both the visual and phonetic tests. In *Aristoc Ltd. v. Rysta Ltd*<sup>5</sup> the House of Lords was considering the resemblance between the two words "Aristoc and Rysta. The view taken was that considering the way the words were pronounced in English, the one was likely to be mistaken for the other. Viscount Maugham cited the following passage of Lord Justice Lukmoore in the Court of Appeal, which passage, he said, he completely accepted as the correct exposition of the law:

"The answer to the question whether the sound of one word resembles too nearly the sound of another so as to bring the former within the limits of Section 12 of the Trade Marks Act, 1938, must nearly always depend on first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word and has perhaps an imperfect recollection of it who is likely to be deceived or confused. Little assistance, therefore, is to be obtained from a meticulous comparison of the two words, letter by letter and syllable by syllable, pronounced with the clarity to be expected from a teacher of elocution. The Court must be

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<sup>&</sup>lt;sup>4</sup> (1906) 23 RPC 774

<sup>&</sup>lt;sup>5</sup> 62 RPC 65

careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description, but also of the shop assistant ministering to that persons wants".

It is important that the marks must be compared as wholes. It is not right to take a portion of the word and say that because that portion of the word differs from the corresponding portion of the word in the other case there is no sufficient similarity to cause confusion. The true test is whether the totality of the proposed trade mark is such that it is likely to cause deception or confusion or mistake in the minds of persons accustomed to the existing trade mark. Thus in *Lavroma case*<sup>6</sup> Lord Johnston said:

".....we are not bound to scan the words as we would in a question of *comparatio literarum*. It is not a matter for microscopic inspection, but to be taken from the general and even casual point of view of a customer walking into a shop."

- **9.** Responding to the submissions of Ms. Agrawal, Mr. Satish Kumar submits that the mark NILKRANTI, as used by the defendants, cannot be said to be simliar to NILKAMAL, either as a word mark or in the form of the device.
- 10. Apropos the word mark, he submits that there is no phonetic, visual or structural similarity between NILKRANTI and NILKAMAL. With respect to the device marks, Mr. Satish Kumar submits that the prominent feature of the plaitniffs' mark is the central lotus, which is absent in the defendants' mark.
- 11. Mr. Satish Kumar also submits that he has been using the

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<sup>&</sup>lt;sup>6</sup> Tokalon Ltd. v. Davidson & Co., 32 RPC 133

NILKRANTI mark since May-June 2017 and that, therefore, at this distance of time, it would not be in the fitness of things to injunct him from using the mark further.

- **12.** Having heard learned Counsel for both sides and perused the material place, I am of the opinion that while the plaintiffs have made out a *prima facie* for injuncting the defendants, pending the disposal of the suit, from using the device mark, it cannot be said that
- a case for injuncting the defendants from using the word mark NILKRANTI has been made out.
- 13. Apropos Ms. Agarwal's emphasis on what she considers the malafides of the defendants, while malafides can be a ground to be taken into account by the court while examining the aspect of deceptive similarity and infringement/passing off, nonetheless, where the marks are prima facie not confusingly similar to each other, the court cannot grant an injunction merely on the premise that the defendants have acted malafide or with an intent to come close the plaintiff.
- 14. The dictum in *Slazenger*, too, merely holds that, where a defendant strains every sinew to bring his mark as close to the mark of the plaintiff as possible, the court would credit him with success rather than failure in the endeavour. That, however, does not mean that the court would jettison, altogether, the consideration of whether the rival marks are or are not similar to each other. Where the marks are not

similar, *Slazenger* cannot be pressed into service to injunct the defendant from using a dissimilar, or a non-infringing mark.

15. The mark NILKRANTI, seen as a word mark, cannot, in my view, be regarded as confusingly similar to that mark NILKAMAL. The common prefix "NIL" is merely the first of three syllables which constitute the word. It is well-settled that the rival marks are to be considered as whole marks, and not by vivisecting them into their individual components. This principle also finds its statutory *avatar* in Section 17<sup>7</sup> of the Trade Marks Act, which specifically holds that plaintiffs are entitled to claim exclusivity over a registered mark as a whole and not over individual parts of the mark, unless such parts are registered by themselves as marks. The plaintiffs do not have any registration for the "NIL" prefix of the NILKAMAL mark.

**16.** The plaintiffs cannot, therefore, claim a monopoly over the prefix "NIL" so as to injunct all others from using "NIL" as a prefix for the marks in respect of plastic moulded chairs or any other item or furniture for that matter.

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the registration thereof shall not confer any exclusive right in the matter forming only a part of the whole of the trade mark so registered.



<sup>&</sup>lt;sup>7</sup> 17. Effect of registration of parts of a mark. –

<sup>(1)</sup> When a trade mark consists of several matters, its registration shall confer on the proprietor exclusive right to the use of the trade mark taken as a whole.

<sup>(2)</sup> Notwithstanding anything contained in sub-section (1), when a trade mark—

<sup>(</sup>a) contains any part—

<sup>(</sup>i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or

<sup>(</sup>ii) which is not separately registered by the proprietor as a trade mark; or

<sup>(</sup>b) contains any matter which is common to the trade or is otherwise of a non-distinctive character,

- 17. The marks have, therefore, to be compared as a whole mark. Thus compared, there is no phonetic similarity between NILKAMAL and NILKRANTI. Para 16 of the decision in *Cadila Health Care Ltd.*, in fact, would militate against the stand that Ms. Agarwal seeks to canvass, rather than support it.
- **18.** Ms. Agarwal has drawn my attention to the *Pianotist* test, which has been emphasized in the said decision and which reads thus:

"You must take the two words. You must judge them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks"

19. If we apply the *Pianotist* test to the present case, it cannot be said that the marks NILKAMAL and NILKRANTI, seen as word marks, are so deceptively similar that a consumer of average intelligence and imperfect recollection is likely to confuse one for the other, or even to believe an association between the two within the meaning of Section 29(2)(b)<sup>8</sup> of the Trade Marks Act.



<sup>&</sup>lt;sup>8</sup> 29. Infringement of registered trade marks. –

<sup>(1)</sup> A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

<sup>(2)</sup> A registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of –

<sup>(</sup>a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or

<sup>(</sup>b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or

<sup>(</sup>c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark,

- 20. As has been held by the Supreme Court in Amritdhara **Pharmacy v. Satya Deo Gupta<sup>9</sup>**, a consumer who perceives the marks as whole marks does not vivisect or dissect them into their individual components. The consumer of average intelligence and imperfect recollection, who has first come across the mark NILKAMAL is likely to remember the NILKAMAL mark as a whole mark, and not in its individual components "NIL and "KAMAL".
- 21. Seen thus, there is no similarity between NILKAMAL and NILKRANTI. In fact, the latter half of the two marks "KAMAL" and "KRANTI", individually have their own distinct etymological connotations in vernacular, with the one meaning a lotus and the other a revolution.
- 22. There is really no reason why the court should presume a consumer of average intelligence and imperfect recollection to be likely either to confuse NILKAMAL with NILKRANTI or to believe NILKRANTI to have some association with NILKAMAL, a mark which he has seen some time past.

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23. No case for interdicting the defendants from using the mark NILKRANTI as a word mark, therefore, exists.

is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark.





- 24. However, insofar as the rival device marks are concerned, the plaintiffs possess a registration for the device mark. When the device marks and and are compared, there is stark similarity between the two. In each case, the word NILKAMAL and NILKRANTI are written in similar blue letters. The words "Nilkamal" and "Nilkranti" and both underlined. The "n figures" over the name NILKAMAL and NILKRANTI are also similar to each other, though the central lotus and "H" figures may differ. In each case, the word has been encased in an elliptical border.
- who has come across the plaintiffs' device mark affixed on a chair, at one point of time and, at a later point of time, comes across the defendants' device mark, also affixed on a similar chair, has every likelihood of being confused between the two, or at least on believing that they are two marks belonging to the same person and are, therefore, associated.
- 26. The mere fact that, within the upper "n", the plaintiffs' mark has the figure of a lotus whereas the defendants' have the figure "H" does not, in my view, make any substantial difference. When viewed as overall marks, the average consumer is not likely to remember such minute details of the two marks. The overall impression that the marks would convey in the eyes of such a consumer would definitely

be confusing, in my prima facie view.

registrations for the device marks and was granted to the plaintiff by inserting a disclaimer, disclaiming all rights to exclusivity in respect of user of the letter "N". As I have already held in *Pernod Ricard India Pvt. Ltd. v. A.B. Sugars Ltd.* 10, the only effect of such a disclaimer is that the plaintiff cannot seek an injunction against infringement, by claiming exclusivity over the disclaimed part. In other words, had the plaintiffs' claim been that the defendants' mark was deceptively simlar to the plaintiffs only because of the common "N" motif, the plaintiffs would have had no case, as "N" was specifically disclaimed while obtaining registration for the device mark.

28. That, however, is not the case. Seen as overall whole marks, I am *prima facie* satisfied that the device mark is deceptively similar to the plaintiffs' device mark

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29. I must record, here, that Mr. Satish Kumar, very fairly, on instructions, assured that his client would cease using the device mark and would, if it chose to adopt any other device mark, ensure that it is not confusingly or deceptively similar to the

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<sup>&</sup>lt;sup>10</sup> 2023 SCC OnLine Del 6966



- 30. In view of the aforesaid discussion, though I find no deceptively similarity between NILKRANTI and NILKAMAL as word marks, I do find the device to be deceptively similar to the device mark . In view thereof, I do not deem it necessary to enter into the aspect of passing off.
- **31.** The present application is, therefore, disposed of in the following terms:
  - (i) The prayer of the plaintiffs to restrain the defendants from using NILKRANTI as a word mark, either for chairs or for any other item, is rejected.
  - using the device mark , or any other device mark which is confusingly or deceptively similar to the device marks
  - (iii) It is clarified that the defendants would be at liberty to use "NILKRANTI" in any other manner which does not infringe the and wilker device marks of the plaintiffs.

- (iv) Insofar as the chairs which have been inventorised and seized by the local Commissioner pursuant to the orders passed by this Court are concerned, the defendants would be at liberty to dispose of the chairs, but after removing, from the chairs, the infringing labels.
- (v) Any such removal of labels and disposal of chairs shall take place in the presence of the representatives of the plaintiffs. In case any such removal is to be undertaken, details thereof shall be placed on record before this Court, by the defendants, on affidavit.
- (vi) The defendants shall place on record the figures of stock and sales of chairs affixed with the infringing device mark, manufactured and sold by them since the inception of use of the mark.
- **32.** IA 19600/2023 stands disposed of accordingly.

C. HARI SHANKAR, J.

NOVEMBER 6, 2023 dsn

Click here to check corrigendum, if any

Signature Not Verifica(COMM) 707/2023
Digitally Signed
By:HARIOM
Signing Date: 07.11.2023